

## Virginia Latino Advisory Board

### Minutes

Monday, August 13, 2012

2:00 p.m. – 5:00 p.m.

Patrick Henry Building

1111 East Broad Street

Richmond, Virginia

Action items:

**Members Present:** Beatriz Amberman, Desi Arnaiz, Charlotte Fritts, Víctor Gómez, Aleyda Kasten, Jorge Lozano, Jason Miyares, Deborah Muñoz, Gabe Rojas, Alex Vanegas, Carmen Williams, Michel Zajur

**Members Absent:** Rosaura Aguerreberre, Rene Cabral-Daniels, Elin Doval, Kris Tilley-Lubbs, Cecilia Martínez, Federico Morales, Flux Neo, Esteban Nieto, Laura Ramírez Drain, Omar Rashid,

**Ex-Officio Members Present:** Jimmy Rhee

**Liaison with Governor's Office:** Duane Stafford

**Guests Present:** Demas Boudreau, Mark Cartwright, Elizabeth Creamer, Jeyben Castro, Tito Muñoz, Gabriela Prado,

**Welcome and opening remarks:** Michel called meeting to order at 2:40 pm.

Since a quorum was not present as the meeting was called to order, the approval of minutes was postponed. Jorge Lozano moved at the start of the meeting that the issue of a legal counsel presence at VLAB meetings be added to the agenda.

### **VLAB 2011 Report Recommendations:**

Copies of the 2011 were distributed to the board.

**International Trade [Page 8]:** Time was taken to review the recommendations on International Trade as well as an article shared by Michel Zajur and Demas Boudreau regarding trade in Latin America ("Why the future is Latin American": CNN.com reports on Latin America's 'unstoppable future') and spoke to advantages of extending trade opportunities with Latin America (common time zones, cost of labor) relative to areas like Asia.

Secretary Chang elaborated on the board's findings by highlighting additional entities to include/consider: agribusiness and the port authority. A focus should be placed on the import/export components of International Trade such as foreign direct investment (foreign companies moving factories and production facilities to Virginia) and the exporting of agricultural outputs (soybeans and cattle, for example).

Jorge Lozano emphasized the need for the governor to visit Latin America and be able to facilitate business development between Virginia and foreign companies. Lozano also shared concerns that may impose added risks to increasing International Trade (such as the prevalence of narco-trafficking and its impact on business development) and the potential for business expansion in areas such as high-tech

industries that exist in the U.S. can be marketable in other parts of the Americas where such technologies are less developed but needed.

Secretary Chang spoke to the VALET (Virginia Leaders in Export and Trade) which is a two year program where companies preparing to expand their operations abroad meet regularly (weekly or monthly) to develop an overseas marketing program which culminates with an overseas delegation sent to a selected country. Tito Muñoz followed this up with a stated need for business leaders to take the initiative in building relationships with foreign companies and governments to then take that lead. Beatriz Amberman spoke to an opportunity that had presented for the Governor to interact with leaders in Mexico and requested guidance from the Governor's office on protocol for how to forward and capitalize on such opportunities.

Secretary Chang encouraged board members to use their interactions and experiences abroad to aid in bringing business to Virginia and offered to equip the board with knowledge of advantages that Virginia presents as an environment for growing businesses outside of the states most commonly considered such as California or New York. Amberman suggested a presentation be developed that can be shared, along with literature and materials that have already been created, for distribution and outreach to business and governmental leaders when travelling abroad.

### **Small Business [Page 9]:**

Mark Cartwright spoke regarding his appointment by Governor McDonnell to advance small business as an independent advocate outside of the Department of Minority Business Enterprise. He brings 20 years of banking and finance experience to this role from firms such as GM and Virginia Tech.

In Virginia, small businesses are identified as having 250 employees or less with 98% of firms meeting this criterion and with 85% having less than 25 employees. These firms are challenged in terms of capacity, opportunity and awareness.

This past week a pilot program was started to review the opportunities available to small businesses. An initial survey was conducted from 22,000 small business firms with 115 selected then asked their number of employees, the number of opportunities they've reviewed in eVA (the official state procurement agency), as well as how many of those opportunities they've bid upon and how many they've been awarded. They are finding that barriers exist for small business within the eVA system such as the length of time that RFPs are posted (minimum of 3 days) that often allow larger businesses with added resources to review and bid. Small businesses are also being cut out of opportunities set-aside to them when larger businesses are able to review and underbid on set-aside opportunities.

Cartwright indicated that the number of opportunities being posted and screened as optimal for small businesses has been much smaller than anticipated and that oftentimes the same few agencies are the ones posting their opportunities on eVA. Also many smaller opportunities are being fulfilled without an RFP and are not being publicized.

Cartwright envisions that suggestions will come forth to address these barriers and perhaps mirror some of the policies that exist in Maryland where large businesses can not view set-aside opportunities and where a certain percentage of opportunities must be awarded to small businesses.

Arnaiz emphasized additional challenges currently being seen by the small business community such as the near-absence of access to capital. Cartwright made mention of programs being utilized to meet these needs such as the Micro-Enterprise Loan Program where the required credit score has been lowered and the repayment period extended to make these loans more accessible to small businesses. Efforts have also taken place to enact legislation to set the limit at which firms must be bonded to contracts totaling \$500,000 and above.

Cartwright was asked whether it's anticipated that GSA schedules will be used at the state level as in other regions but this is not currently being seen in Virginia. A question was also raised regarding the

reciprocal agreements between DC, Maryland and Virginia which exist but not in practicality. An additional inquiry was made as to whether the number of small businesses in Virginia is being broken down by ethnicity which is not currently being done but this possibility is being reviewed.

#### **Education [Page 10]:**

Elizabeth Creamer was in attendance in place of our Secretary of Education. Creamer noted that no recommendations were put forth in line with our state's One-Stop and workforce development centers which have the resources to offer opportunities that may not be available at colleges and universities. These centers provide certification and licensures in fields such as construction that are accessible and growing. Creamer acknowledged the recommendations that were in line with the agenda of the Secretary that includes strengthening the rigor of high school programs, improving and expanding STEM-H education (a summit on STEM will be held next month which will highlight a pilot study on STEM readiness) and STEM academies that will be launched this October.

Creamer also acknowledged the emphasis of these recommendations in the area of career coaches, which was a program she had helped to launch and that has been expanded into One-Stop centers. She put forth a suggestion to integrate data from the state's longitudinal database system in order to obtain baseline metrics in order to track progress in these areas and monitor outcomes. VDOE, SCHEV and VCCS are working in areas related to the recommendations that have been proposed and could be assisted by advocacy for certain elements of this program such as expanding the use of bilingual career coaches at community colleges in areas like Northern Virginia where this service could be useful.

Arnaiz spoke to the need for Latino business owners and employees to be better educated in fundamental necessities to conduct business in the Commonwealth: ranging from English proficiency, use of the metric system and lack of knowledge for business jargon that creates barriers to expanding their business opportunities and causes many to work primarily with fellow Latino businesses. Tito Muñoz commented that this may be a cultural difference and preference in the way that business is conducted, preference to limit paperwork, etc and possibly as a result of not having been educated to a great extent in their home countries.

Amberman suggested that the recommendations that were put forth be communicated to the public, as well as the feedback received today from leaders in the state's government in these fields. This would allow for greater awareness within communities of the work being done by the VLAB and of the response being provided by the Governor.

Lozano asked whether tax breaks or tax credits are available for employers who are actively enrolling their employees in the training necessary to keep current in rapidly changing technology fields. Creamer indicated there are initiatives taking place as early as high school where students are meeting standards to ensure they are college and/or career ready and able to attain basic level certifications.

Victor Gomez added the importance of including early childhood education among these recommendations both to the board and the DOE which Creamer emphasized is a primary step to workforce development. Debbie Muñoz added instances she's witnessed where resources are being used superfluously in construction

**Introductions:** Board members introduced themselves with a quorum now present.

**Approval of Minutes:** Amberman noted the absence of her name on page one amongst the board members present and absent. Gabe noted the absence of his name amongst the members of the education committee on page three. Arnaiz moved the minutes be approved, seconded by Amberman. Minutes were approved. Zajur noted the highlighted areas on the minutes where additional information needs to be filled in for future meetings.

Zajur opened up discussion on next steps for the VLAB in terms of efforts and activities to take on in the immediate future and capitalizing on the momentum that has been created by the presence of

representatives from the state administration today. Beatriz recommended that any future summit, etc take place in the Richmond area as opposed to Northern Virginia because of its central location or holding more than one such event to cover both areas.

Plans for a business summit were discussed as well as whether this should be organized and hosted by the Hispanic Chamber of Commerce or the VLAB. Zajur suggests the HCC host an event, in November, while the VLAB provides assistance through the currently established committees to organize this effort (secure a facility, etc). D Muñoz suggested the George Mason campus in Manassas as a possible location and recruiting local Chambers. Arnaiz suggested we serve as a bridge between the community and the government

Jimmy Rhee offered to forward regular bulletins on policy changes to the board via email as appropriate.

Lozano made a motion that the VLAB authorize the HCC and other entities to carry out the business summit being put forth. D Muñoz clarified that the collaborating organizations be other chambers, etc and other non-partisan entities. This motion was seconded by Alex Venegas and approved by the board. Lozano further moved that an oversight committee should be established to oversee the development of the event. This motion was seconded by Amberman and approved by the board.

D Muñoz suggested laying out a mission statement for the event to clarify the program elements that should be included. While a workgroup may be pulled together, as a subcommittee of the VLAB they must still provide public notice and follow all requirements of the VLAB. Zajur would like to see the initiative framed out and structured in advance of the Hispanic Gala on September 12<sup>th</sup> so that it could be publicized at that event.

A meeting has been scheduled for 11am on Friday, August 31st in Richmond to work on further details of this event, establish the name of the event and to continue planning.

**Presence of Legal Council at VLAB Meetings and Absentee Protocol for Meetings:** Duane Stafford will send a request to the Attorney General's office for legal presence to be present at future meetings. Stafford raised a question previously posed regarding the number of absences permitted by members and shared that such protocol must be determined by the board itself. Amberman moved that a letter be sent to a member of the board once he/she has been absent for two consecutive meetings. This motion was seconded by Vanegas and approved by the board.

#### **Updates from Board Members:**

Lozano shared a flyer promoting the 6<sup>th</sup> Panamerican Festival taking place on Saturday, September 30<sup>th</sup> from 10am – 8 pm in the Shirley Industrial Park at 6621 Electronic Drive in Springfield, VA

#### **Next Meeting Date:**

#### **Adjournment:**

Respectfully submitted,

Charlotte Fritts